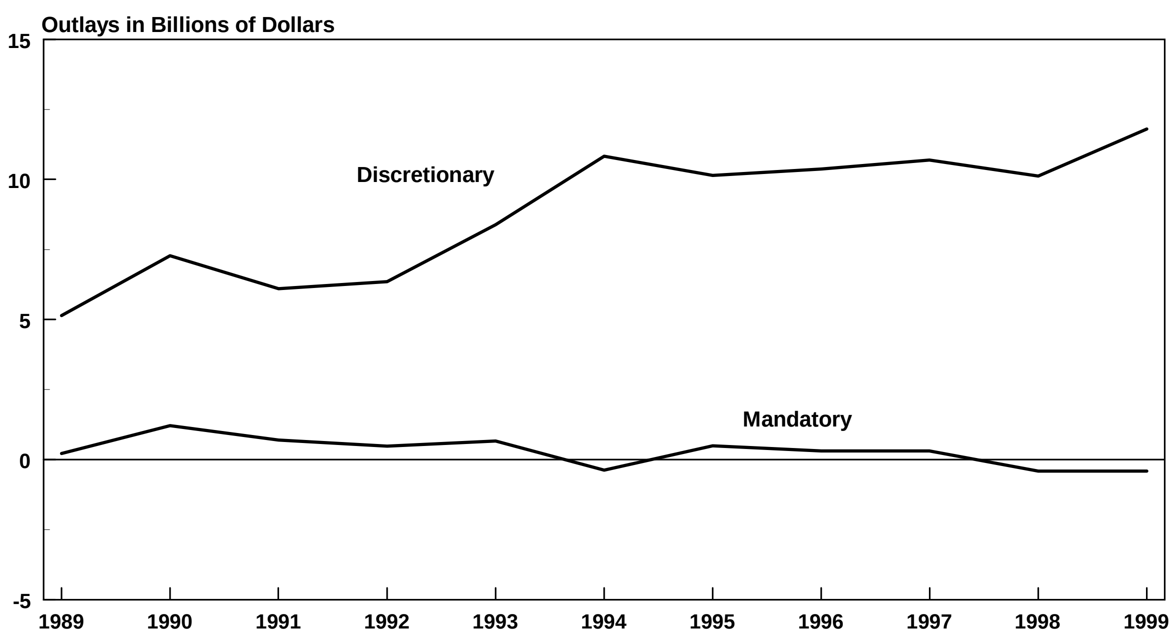
450

Community and Regional Development

Budget function 450 funds programs that support the development of physical and financial infrastructure intended to promote viable community economies, including activities of the Department of Commerce and the Department of Housing and Urban Development. This function also includes spending to help communities and families recover from natural disasters and spending for the rural development activities of the Department of Agriculture, the Bureau of Indian Affairs, and other agencies. CBO estimates that in 1999, discretionary outlays for function 450 will be almost $12 billion; discretionary budget authority of more than $10 billion was provided this year. During the past 10 years, spending under function 450 has fluctuated between just under 0.6 percent and just over 0.7 percent of federal outlays.



450-01 CONVERT THE RURAL COMMUNITY ADVANCEMENT PROGRAM TO STATE REVOLVING LOAN FUNDS

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	0	0
2001	0	0
2002	0	0
2003	0	0
2004	0	0
2005	723	22
2006	723	152
2007	723	347
2008	723	528
2009	723	643
Cumulative		
2000-2004	0	0
2000-2009	3,615	1,692

SPENDING CATEGORY:

Discretionary

RELATED OPTIONS:

270-05 and 300-03

The Department of Agriculture's Rural Community Advancement Program (RCAP) assists rural communities by providing loans, loan guarantees, and grants for rural water and waste disposal projects, community facilities, economic development, and fire protection. Funds are generally allocated among the states on the basis of their rural populations and the number of rural families with income below the poverty threshold. Within each state's allocation, the department awards funds competitively to eligible applicants, including state and local agencies, nonprofit organizations, and (in the case of loan guarantees for business and industry) for-profit firms.

The terms of a particular recipient's assistance depend on the purpose of the aid and, in some cases, the economic condition of the recipient's area. For example, aid for water and waste-disposal projects can take the form of loans with interest rates ranging from 4.5 percent to market rates, depending on the area's median household income; areas that are particularly needy may receive grants or a mix of grants and loans.

For 1999, the Congress appropriated $723 million for RCAP's grants and the budgetary cost of its loans and loan guarantees, which is defined under credit reform as the present value of the interest rate subsidies and expected defaults. The Congress could reduce future spending by capitalizing state revolving loan funds (SRLFs) for rural development and then ending federal RCAP assistance. The amount of federal savings would depend on the level and timing of the contribution to capitalize the SRLFs. Under one illustrative option, the federal government would provide steady funding of $723 million annually for five more years to capitalize the funds, then cut off assistance in 2005. The option would yield savings of $1.7 billion from 2005 to 2009. That level of capitalization alone would not support the volume of loans and grants now provided annually by RCAP. Accordingly, the Congress could choose to allow the SRLFs to use the capitalization funds as collateral with which to leverage additional capital from the private sector, as has been allowed with the SRLFs established under the Clean Water Act and Safe Drinking Water Act.

The main argument for replacing RCAP with a system of SRLFs is that the federal government should not bear continuing responsibility for local development; rather, programs that benefit localities, whether urban or rural, should be funded at the state or local level. On the basis of that argument, a few more years of federal funding to capitalize SRLFs would provide a reasonable transition to the desired policy.

One argument against converting RCAP is that without annual infusions of new federal money, states will feel a need to stretch their rural development funds by reducing the number of grants and interest rate subsidies, making it harder for needier communities to find affordable assistance. In addition, precedent suggests that the estimated federal savings may not materialize: the Congress continues to appropriate additional grants to the state funds for wastewater treatment systems, long past the point at which those funds were originally designed to be independent of federal support.

450-02 ELIMINATE THE ECONOMIC DEVELOPMENT ADMINISTRATION

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	374	23
2001	380	111
2002	386	198
2003	390	305
2004	391	380
2005	392	392
2006	392	392
2007	392	392
2008	392	392
2009	392	392
Cumulative		
2000-2004	1,921	1,017
2000-2009	3,881	2,977

SPENDING CATEGORY:

Discretionary

The Economic Development Administration (EDA), an agency within the Commerce Department, provides grants to state and local governments for public works, technical assistance, defense conversion activities, and job programs, as well as loan guarantees to firms for business development. For 1999, appropriations for EDA programs total $392 million. Eliminating EDA would reduce federal outlays by $23 million in 2000 and $3 billion over the 2000-2009 period.

The main argument for eliminating EDA—and all federal efforts in local economic development—is that money for activities that mainly benefit localities should be provided by state or local governments, not the federal government. Even if one accepts a federal role in local development, however, EDA's effectiveness in accomplishing that mission is questionable. The 1993 National Performance Review found, for example, that the agency had not adequately adapted to increased development activity by state and local governments, that it had an outdated emphasis on public works and infrastructure development, and that the many federal development programs resulted in "fragmentation, poor quality, and excessive bureaucracy." Nonetheless, five years later, public works remains the single largest category of EDA assistance, and several federal departments and agencies continue to operate large, distinct development programs. Critics also argue that EDA's broad eligibility criteria, which cover areas containing an estimated 80 percent to 90 percent of the U.S. population, allow the agency to approve grants to communities that are not economically distressed. In two examples from 1995, EDA gave Cheyenne, Wyoming, and Rapid City, South Dakota, grants totaling $980,000, although the cities' unemployment rates were below their states' averages—3.3 percent and 2.6 percent, respectively, compared with 4.5 percent and 2.9 percent statewide.

Supporters of continued funding for EDA argue that the federal government has a legitimate role to play in local development, not only in providing needy areas with more funding than they would receive from their state governments or could raise locally but also in helping communities adjust to such federal policies as military base closures and free-trade agreements. EDA's supporters also note that the agency has reduced staff from early-1990s' levels, eliminated many regulations, and established performance measures for its grant programs. Supporters also cite evidence that agency grants generally do target needier areas: a 1997 Rutgers University study of the 203 public works program grants receiving their final payment in 1990 found that poverty and unemployment rates were roughly 40 percent higher and per capita income was about 40 percent lower in the median recipient county than nationwide.

450-03 ELIMINATE THE APPALACHIAN REGIONAL COMMISSION

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	66	7
2001	66	20
2002	66	40
2003	66	50
2004	66	59
2005	66	66
2006	66	66
2007	66	66
2008	66	66
2009	66	66
Cumulative		
2000-2004	330	176
2000-2009	660	506

SPENDING CATEGORY:

Discretionary

The federal government provides annual funding to the Appalachian Regional Commission (ARC) for activities that promote economic growth in the Appalachian counties of 13 states. For 1999, the Congress appropriated $66 million for ARC. The states are responsible for filing development plans and recommending specific projects for federal funding. The commission distributes the funds competitively according to such factors as the area's growth potential, per capita income, and unemployment rate; the financial resources of the state and locality; the project's prospective long-term effectiveness; and the degree of private-sector involvement.

ARC supports a variety of programs, including the Community Development Program, mainly to create jobs; the Human Development Program, to improve rural education and health; and the Local Development District Programs, to provide planning and technical assistance to multicounty organizations. (In 1998, the Congress transferred the responsibility for the Appalachian Development Highway System, previously another main ARC program, to the general Transportation Trust Fund.) Federal funds also support 50 percent of the salaries and expenses of ARC staff. Discontinuing the programs funded through ARC would reduce federal outlays by $7 million in 2000 and by $506 million over the 2000-2009 period.

The debate over eliminating ARC focuses on two main points. First, ARC's critics argue that the responsibility for supporting local or regional development basically lies with the state and local governments whose citizens will benefit from the development, not with the federal government. ARC's supporters believe that the federal government has a legitimate role to play in redistributing funds among states to support development in the neediest areas and that reducing federal funding would reduce local progress in job creation, education, and health care. Second, the agency's critics note that all parts of the country have needy areas and argue that those areas in Appalachia have no special claim to federal dollars. According to such critics, needy Appalachian areas should, like other areas, get federal development aid through national programs, such as those of the Economic Development Administration. ARC's defenders respond that Appalachia's size, physical isolation, and severe poverty have created a unique situation requiring special attention.

450-04 DROP WEALTHIER COMMUNITIES FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	591	12
2001	591	201
2002	591	449
2003	591	532
2004	591	561
2005	591	585
2006	591	591
2007	591	591
2008	591	591
2009	591	591
Cumulative		
2000-2004	2,955	1,755
2000-2009	5,910	4,704

SPENDING CATEGORY:

Discretionary

The Community Development Block Grant (CDBG) program provides annual grants, by formula, to metropolitan cities and urban counties through what is referred to as its entitlement component. The program also allocates funds, by formula, to each state. Those funds are distributed among the states' smaller and more rural communities, called nonentitlement areas, typically through a competitive process.

In general, CDBG funds must be used to aid low- and moderate-income households, eliminate slums and blight, or meet emergency needs. Specific eligible uses include housing rehabilitation, infrastructure improvement, and economic development. Funds from the entitlement component may also be used to repay bonds that are issued by local governments (for acquiring public property, for example) and guaranteed by the federal government under the Section 108 program. For 1999, the CDBG program received a regular appropriation of $4.75 billion, including $2.95 billion for entitlement communities, plus supplemental appropriations totaling $380 million.

Under current law, all urban counties, metropolitan cities, and other cities of 50,000 or more are eligible for the CDBG entitlement program. The formula for allocating entitlement funds includes the following factors: population, the number of residents with income below the poverty level, the number of housing units with more than one person per room, the number of housing units built before 1940, and the extent to which an area's population growth since 1960 is less than the average for all metropolitan cities. The formula neither requires a threshold percentage of residents living in poverty nor excludes communities with high average income.

Federal spending for the program could be reduced by focusing entitlement grants on more needy jurisdictions and lowering funding accordingly. Several alternative changes to the current formula could yield similar results; one simple approach, however, would be to exclude communities whose per capita income exceeds the national average by more than a certain percentage. Data from the Department of Housing and Urban Development on the 1993 grants to entitlement cities (but not counties) suggest that restricting the grants to communities whose per capita income is less than 112 percent of the national average, for example, would save 26 percent of the entitlement funds, in part by cutting the large grants to New York City and Los Angeles. To illustrate the general idea, the Congressional Budget Office has assumed a somewhat smaller cut of 20 percent of entitlement funding, which would save an estimated $12 million in 2000 and $4.7 billion from 2000 to 2009.

Proponents of that change argue that if the CDBG program can be justified at all—some argue that using federal funds for local development is generally inappropriate—its primary rationale is redistribution and that redistributing money to less needy communities serves no pressing interest. Opponents argue that such a change would reduce efforts to aid low- and moderate-income households in poverty pockets within those communities because local governments would not sufficiently redirect their own funds to completely offset the lost grants.

450-05 ELIMINATE THE NEIGHBORHOOD REINVESTMENT CORPORATION

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	90	90
2001	90	90
2002	90	90
2003	90	90
2004	90	90
2005	90	90
2006	90	90
2007	90	90
2008	90	90
2009	90	90
Cumulative		
2000-2004	450	450
2000-2009	900	900

SPENDING CATEGORY:

Discretionary

The Neighborhood Reinvestment Corporation (NRC) is a public, nonprofit organization charged with revitalizing distressed neighborhoods. The NRC oversees a network of locally initiated and operated groups called Neighbor Works® organizations, or NWOs, which engage in a variety of housing, neighborhood revitalization, and community-building activities. The corporation provides technical and financial assistance to begin new NWOs; it also monitors and assists current network members. As of 1998, the NeighborWorks® network had 181 NWO members operating in 825 communities nationwide.

For 1999, the NRC's appropriation of $90 million represents 94 percent of its annual income. With those funds, the corporation provides grants, conducts training programs and educational forums, and produces publications in support of member NWOs. The bulk of the grant money goes to NWOs, which use the funds to cover operating costs; conduct projects; purchase, construct, and rehabilitate properties; and capitalize their revolving loan funds. NWO revolving loan funds make home ownership and home improvement loans to individuals or loans to owners of mixed-use properties who provide long-term rental housing for low- and moderate-income households. In addition, the NRC awards grants to Neighborhood Housing Services of America to provide a secondary market for the loans from NWOs. Eliminating the NRC would save $900 million over 10 years.

One argument for eliminating the NRC is that the federal government should not fund programs whose benefits are local rather than national. A second argument is that the NeighborWorks® approach duplicates the efforts of programs from other federal agencies (particularly the Department of Housing and Urban Development, or HUD) and government-sponsored enterprises (such as the Federal Home Loan Bank System and the Federal Home Loan Mortgage Corporation) that also rehabilitate low-income housing and promote home ownership and community development. Third, critics of the corporation argue that even within the NeighborWorks® approach, the NRC is a redundant funding channel. In 1997, NRC grants accounted for about one-quarter of the NWOs' governmental funding and roughly 6 percent of their total funding. Larger shares came from private lenders, foundations, corporations, and HUD.

The NRC's defenders argue that the large number of federal programs to assist local development is evidence of widespread support for a federal role—particularly in areas where state and local governments may lack adequate resources of their own. They further argue that NWOs focus on whole neighborhoods rather than individual housing properties, and with their nonhousing activities—such as community organization building, neighborhood cleanup and beautification, and leadership development—provide economic and social benefits that other federal programs do not. Finally, defenders say that the NRC is a valuable part of the approach because of its flexibility in making grants, which allows it to fund valuable NWO efforts that do not fit within the narrow criteria of larger federal grantors, and the services it provides to the NWOs, such as training, program evaluation, and technical assistance.

450-06 ELIMINATE FUNDING FOR NEW EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	60	1
2001	60	20
2002	60	46
2003	60	55
2004	60	57
2005	60	60
2006	60	60
2007	60	60
2008	60	60
2009	60	60
Cumulative		
2000-2004	300	179
2000-2009	600	479

SPENDING CATEGORY:

Discretionary

The Omnibus Budget Reconciliation Act of 1993 authorized a new program under which 104 economically distressed communities could be designated as "empowerment zones" or "enterprise communities." The EZ/EC communities, as they are known, must satisfy certain eligibility criteria and are selected in a competitive review of strategic plans for implementing the program. Designated communities receive federal funding—up to $100 million over 10 years for each urban EZ, $40 million for each rural EZ, and just under $3 million for each EC—for a broad range of economic and social development activities consistent with their strategic plans, plus access to certain tax preferences for businesses locating or expanding in an EZ or EC area.

The Congress authorized the designation of 20 new EZs in 1997—15 in urban areas and five in rural areas. The first funding for those second-round EZs appeared in the omnibus appropriation bill for 1999, which provided $55 million in grant money—less than the $170 million requested by the Administration as part of a proposed 10-year mandatory budget item. The bill also appropriated $5 million for 20 additional rural ECs but did not grant them the tax preferences provided to previous ECs. If the Congress chose to provide the second-round EZs and ECs with the same grant funding as the first-round communities, the initial $60 million would effectively be a down payment toward total spending of $1.759 billion.

CBO estimates that eliminating grant funding for the second round of EZs and ECs would save $1 million in 2000 and about $480 million over the 2000-2009 period, assuming that the alternative is continued funding at the 1999 level. One argument for eliminating the funding is that local economic development is an inappropriate use of federal dollars and should be left to state and local governments. Another is that the federal government already has duplicative programs promoting economic development—including Community Development Block Grants, programs of the Economic Development Administration, and various regional commissions and authorities (see other options under budget function 450)—and that the relatively new EZ/EC program should be stopped before developing its own entrenched constituency.

Supporters of continued funding for the second round of EZs and ECs argue that early evidence from the first-round communities indicates that the program is working well—developing local capacities through its strategic planning requirements and building public/private partnerships that leverage federal dollars with private investments. Supporters also note that EZ/EC communities are by definition high-poverty areas and require more public resources than local and state governments are willing and able to provide. Furthermore, they argue that the new EZs and ECs applied for the designations expecting that multiyear funding would be available.

450-07 DROP FLOOD INSURANCE FOR CERTAIN REPEATEDLY FLOODED PROPERTIES

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	0	71
2001	0	75
2002	0	79
2003	0	84
2004	0	88
2005	0	94
2006	0	99
2007	0	105
2008	0	112
2009	0	119
Cumulative		
2000-2004	0	397
2000-2009	0	926

SPENDING CATEGORY:

Mandatory

RELATED OPTION:

450-08

Data from the National Flood Insurance Program (NFIP) show that a relatively small number of properties subject to repeated flooding account for a large share of the losses incurred by the program. The Federal Emergency Management Agency (FEMA), which administers the NFIP, has focused its attention on properties that have incurred two or more losses of at least $1,000 each in any 10-year period since 1978 (the earliest year for which data are available). The more than 83,000 properties fitting that definition account for about one-third of all claims since 1978 and close to 40 percent of the cost of such claims. Many of those properties no longer have flood insurance: in some cases, the property has been destroyed or moved; in other cases, the owner dropped the policy—for example, after FEMA limited coverage under the NFIP for basement losses in 1983. The NFIP currently insures roughly 41,000 repeatedly flooded properties, representing about 1 percent of all policies in force but a much larger share of annual flood losses.

The issue of repeatedly flooded properties raises concern in part because they generally are covered at premium rates that do not adequately reflect their risk of flood losses. FEMA data show that 96 percent of such properties were built before the development of the Flood Insurance Rate Map (FIRM) for their respective communities—which is not surprising, given the flood mitigation requirements imposed on post-FIRM construction. Thus, almost all repeatedly flooded properties are covered under the pre-FIRM premium rates that the government explicitly subsidizes. (See the related discussion for option 450-08.) In addition, although some properties may incur losses twice in 10 years because of a bad "draw" of storms or other random events, others have flooded four, five, or even 10 or 20 times since 1978, demonstrating that the gap between the pre-FIRM rates and their true actuarial risk of flood loss is particularly large.

One way to reduce federal costs for the flood insurance program would be to deny coverage after the fourth loss of at least $1,000 in any 20-year period. FEMA data indicate that the option would immediately affect 8,300 properties, and the Congressional Budget Office estimates that it would reduce federal outlays by $71 million in 2000 and $926 million over the 2000-2009 period. The main argument for the option is that neither taxpayers nor other policyholders should be required to provide an unlimited subsidy for properties known to be at high risk for frequent flood damage. The loss or threat of losing NFIP protection would encourage owners of such properties to take appropriate mitigation measures, such as elevating their structures or rebuilding elsewhere.

Opponents of dropping the flood insurance argue that it would be unfair to the property owners to suddenly withdraw their protection from flood risk—especially owners who have occupied their properties since before the local FIRM was developed and cannot readily afford relocation or other costly mitigation measures. Some opponents might prefer a more moderate change from current policy, such as adding a repetitive-loss surcharge to insurance premiums or denying coverage only to policyholders who reject offers of mitigation assistance.

450-08 ELIMINATE THE FLOOD INSURANCE SUBSIDY ON PRE-FIRM STRUCTURES

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	0	120
2001	0	386
2002	0	537
2003	0	575
2004	0	617
2005	0	660
2006	0	706
2007	0	751
2008	0	790
2009	0	815
Cumulative		
2000-2004	0	2,235
2000-2009	0	5,957

SPENDING CATEGORY:

Mandatory

RELATED OPTION:

450-07

The National Flood Insurance Program (NFIP) offers insurance at heavily subsidized rates for buildings constructed before 1975 or before the completion of a participating community's Flood Insurance Rate Map (FIRM). Owners of post-FIRM construction pay actuarial rates for their insurance. Currently, about one-sixth of all flood insurance coverage is subsidized.

The Federal Emergency Management Agency (FEMA), which administers the flood insurance program, estimates that 32 percent of policyholders are paying subsidized rates for some or all of their coverage. The program subsidizes only the first $35,000 of coverage for a single-family or two- to four-family dwelling and the first $100,000 of a larger residential, nonresidential, or small business building; various levels of additional coverage are available at actuarially neutral rates. As a result of an April 1996 rate increase, coverage in the subsidized tier is priced at an estimated 38 percent of its actuarial value. The program also offers insurance for buildings' contents; again, policyholders in pre-FIRM buildings pay subsidized prices for a first tier of coverage.

The Congressional Budget Office estimates that eliminating the subsidy would yield about $120 million in new receipts in 2000 and $6 billion over the 2000-2009 period, accounting for the likelihood that many current policyholders would drop their coverage. Purchase of flood insurance is voluntary, except for properties in special flood hazard areas carrying mortgages from federally insured lenders. Only 20 percent of properties in the nine states affected by the 1993 midwestern flood are estimated to have had coverage, reflecting both lax enforcement of the mandatory requirements and spotty participation of properties not subject to the requirements. Although enforcement of the requirement has reportedly improved under new rules legislated in 1994, CBO expects that some mandatory and many voluntary purchasers would leave the program if confronted with unsubsidized premiums.

Proponents of eliminating the subsidy argue that actuarially correct prices would make all property owners in flood-prone areas pay their fair share for insurance protection and would give them economic incentives to relocate or take preventive measures.

Supporters of the subsidy argue that it should be maintained to help increase the low rates of participation by property owners who are not subject to the mandatory purchase requirement. Another argument is that people who built or purchased property before FEMA documented the extent of the flood hazards should not face the same costs as those who made decisions after such information became available. Defenders of the current rates also question the accuracy of the maps on which FEMA bases its estimate that current prices cover only 38 percent of long-term costs. For most pre-FIRM properties except a relatively few repeatedly flooded structures, premiums now roughly equal average losses incurred to date. Finally, defenders argue that some of the projected gains will be offset by increased spending by FEMA and the Small Business Administration on disaster grants and loans to people who drop or fail to purchase insurance coverage at the higher rates.

450-09 ELIMINATE FEDERAL SUPPORT FOR TENNESSEE VALLEY AUTHORITY ACTIVITIES

	Savings (Millions of dollars) Budget Authority	Outlays
Annual		
2000	32	26
2001	43	39
2002	43	42
2003	43	43
2004	43	43
2005	43	43
2006	43	43
2007	43	43
2008	43	43
2009	43	43
Cumulative		
2000-2004	204	193
2000-2009	419	408

SPENDING CATEGORY:

Discretionary

RELATED PUBLICATION:

Should the Federal Government Sell Electricity? (Study), November 1997.

The Tennessee Valley Authority (TVA) is a federal agency that operates an electric utility with billions of dollars in annual sales. It is also charged with "planning for the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin." The annual federal appropriation for TVA supports its water and land management activities (including maintaining a system of dams and reservoirs), environmental research center, recreational and educational programs, and efforts to assist local economic development.

In 1997, TVA Chairman Craven H. Crandall Jr. proposed eliminating the federal appropriation in exchange for allowing TVA to sell electricity outside its current service area. Subsequently, the Congress appropriated $70 million for TVA's nonpower activities for 1998 but included language indicating that the agency was to support those activities without additional federal funds—instead drawing on user fees, charges to electricity purchasers, investment returns, and internal cost savings—beginning in 1999. However, the Congress included another $50 million—described as "final" in the accompanying report—for TVA in the omnibus appropriation bill for 1999. That bill also directed TVA to transfer the Land Between the Lakes Recreation Area (LBL) to the Forest Service on October 1 of the first fiscal year for which the Congress gives TVA less than $6 million for LBL. Accounting for the transfer and associated shift in costs to the Forest Service, eliminating TVA's federal funding as of fiscal year 2000 would reduce federal outlays by $26 million then and by $408 million over 10 years.

Critics of the funding for TVA's activities argue that the programs provide local or regional benefits and should therefore be financed by state and local governments or by charges to beneficiaries—or be discontinued if they are insufficiently valuable. Proponents of continued funding argue that TVA has few practical alternatives to federal support if it is to continue promoting proper use, conservation, and development of the region's natural resources. Charging user fees may be appropriate for some of TVA's nonpower activities, such as maintaining navigation locks and recreation facilities, but perhaps not for others. For example, because the benefits of reducing flood crests and improving ecological stability are spread over time and broad geographic areas, affected state and local governments may find it difficult to divide the burden of making up lost federal funding for such causes.

In addition, a small and declining share of TVA's federal appropriation supports its Environmental Research Center in Muscle Shoals, Alabama. The center's research involves ozone mitigation, pollution-free agriculture, utility waste management, and biotechnology for cleaning up hazardous wastes. Critics of the center argue that many of its research projects benefit the private sector and that other projects should be consolidated with research being conducted by the Department of Agriculture or the Environmental Protection Agency. The center has diversified its funding sources and is in the last year of a four-year phaseout of federal support.